

LEGISLATIVE DIVISION UPDATE

VETERAN-RELATED LEGISLATIVE ACTIONS

Congressional Updates

The House was in recess this week.

The Joint Select Committee on Deficit Reduction (JSC) (aka the "Supercommittee") continues its work to develop a plan to reduce the federal deficit between \$1.2 billion and \$1.5 billion over the next decade. Last Friday was the deadline for congressional committees – as well as individual representatives and senators – to submit their proposals for deficit reduction to the super-panel. Over 175,000 recommendations were submitted, some quite lengthy (between 17 and 34 pages) while others are 2-7 pages. In addition, lobbyists for various non-governmental entities, including The American Legion, have had personal meetings with committee members. The JSC has a deadline of November 23 to present its plan to both congressional chambers. Whether its recommendations will be accepted or not is highly debatable. The American Legion will continue to closely monitor the JSC's deliberations.

In a related area, Congress is still trying to develop a plan to finish the FY 2012 appropriations process. Only one funding bill – the Military Construction-VA spending measure – has passed both House and Senate. During the month of September, the Senate Appropriations Committee went into a frenzy of activity. Between September 7 and 21, the panel approved 10 of the 11 spending bills which it had not previously approved. The Senate leadership is attempting to develop a bill combining three of the appropriations measures – being termed a "minibus" as opposed to an omnibus – as a way to get the ball rolling on the badly stalled appropriations process.

LEGISLATIVE FOCUS FOR THE WEEK:

House VA Panel Holds Hearing on Failures at Miami VAMC

On October 12, the full House Veterans' Affairs Committee held a hearing to address problems which have been uncovered at Miami VA Medical Center. These problems included: a lack of sanitation of reusable colonoscopy equipment, and then a lack of proper log records to track who had been placed at risk, and thus delaying notification: a suicidal

patient who was released and then committed "suicide by cop" after killing a police officer; and a general lack of oversight and accountability. Committee Chairman Jeff Miller (FL) went on to demand that VA provide information on how policies were to be enforced. He also noted that the committee should bear in mind that the Miami incident is not isolated, but rather is one example of a problem in VA across the country.

In a written statement submitted for the record, Ranking Member Bob Filner (CA) reiterated the issues highlighted in Chairman Miller's opening statement, and brought up the additional problem of the fact that the Miami facility is inexplicably running a nearly \$30 million budget deficit.

The only testifying witness was William Schoenhard, FACHE Deputy Under Secretary for Health for Operations and Management of VA, though he was accompanied on the panel by Nevin M. Weaver, FACHE Network Director of the Veterans Affairs Sunshine Healthcare Network/Veterans Integrated Services Network 8 and Mary D. Berrocal, Director of the Miami Veterans Affairs Healthcare System. "VA has attained this success through a culture of continuous improvement, which is manifested in every one of the more than 1,400 sites of care in the VA health care system," Mr. Schoenhard said. "This is especially true of the Miami VAMC." He contended that the Miami VAMC has made steady improvement since 2009, when many of the issues first came to light, and enumerated several of the improvements which have been made. For example, he stated that the facility has implemented a quality management which oversees processes related to set-up, use, pre-cleaning, cleaning, reprocessing, transport, and storage of reusable medical equipment, and has implemented a "double review" process to ensure sterilizing processes.

Mr. Schoenhard then turned his attention to the question of the budget, in which he overviewed the process by which funds are allocated, and highlighted several of the improvements which have been implemented with the goal of cost savings including a complete review of organization in order to pinpoint inefficiencies, centralization of travel and overtime budget for better oversight, reducing non-emergency and furniture purchases, and renegotiation or cancellation of non-essential contracts. Overall, his assessment suggested that the facility was moving in the right direction, toward better care for veterans, and better use of taxpayer money.

The committee then subjected the panel to nearly three hours of tough questions, covering sanitation problems, budget issues, the suicidal patient incident, lack of accountability and oversight, statistical evidence contradicting the claims of improvement at the facility, and highlighting

an incident in which the public relations director was suspended and put under investigation only to be cleared of charges. Chairman Miller and Rep. Johnson concluded the lengthy questioning by stating in no uncertain terms that it was their opinion that Mr. Weaver and Ms. Berrocal should most likely be replaced. Rep. Johnson addressed Chairman Miller stating "...I feel less confident leaving this hearing than I did coming in." Chairman Miller closed the hearing by stating that the committee intends to continue to monitor the situation at the Miami VAMC and conduct follow-up research.

House Armed Services Panel Examines Future of National Defense

On October 13, Deputy Director Dean Stoline attended a House Armed Services Committee hearing entitled, "The Future of National Defense and the U.S. Military After 9/11: Perspectives of Secretary of Defense Leon Panetta and Chairman of the Joint Chiefs of Staff Martin Dempsey." Army Gen. Dempsey and DOD Secretary Panetta testified before the committee for the first time in their current positions to discuss the future of national defense and the military 10 years after 9/11. The purpose of the hearing was to hear their views on how deficit reductions may affect the Pentagon's future defense budgets and its national security missions over the next ten years. The hearing was disrupted several times by protestors and several of them were arrested.

Committee Chairman Howard 'Buck' McKeon (CA) opened the meeting by saying Defense budgets had been cut enough and any cuts from sequestration caused by the failure of the deficit reduction committee and Congress to find the \$1.2 trillion in future spending cuts per the deficit reduction law would "devastate the military." He said making irresponsible cuts to defense during a time of economic crisis would have serious short-term consequences for unemployment and long-term implications for America's industrial base.

Ranking Member Adam Smith (WA) concurred with the Chairman, but said besides spending cuts the budget fix would require increased taxes to reduce the deficit, especially if Congress wanted to avoid further Defense cuts. He said, "Our country faces a budget dilemma – we don't collect enough revenue to cover our expenditures." He further stated the country borrows 40 cents for every dollar the federal government spends. He went on to say this budget problem must be addressed in two ways: spending will have to come down, and we are going to have to generate new revenues. Lastly, he was concerned sequestration cuts would impose

deep and dangerous cuts to our military and non-entitlement spending, such as infrastructure, education, and homeland security.

Secretary Panetta testified that cutting too deep would devastate the military and that the Pentagon must be spared from any budget cuts above the \$450 billion it is cutting over 10 years now. This remark was in reference to the threat of sequestration cuts should the deficit reduction plan to find \$1.2 trillion in savings over the next 10 years fail to pass Congress by Thanksgiving. He was concerned Congress will not pass a deficit reduction plan and political gridlock in Congress would also constitute a national security threat because sequestration would cut the Pentagon budget so deep. Mr. Panetta said President Obama shares his view the Pentagon should be shielded from any additional budget cutting. Lastly he said we do not have to choose between national security and fiscal security.

In addition, he said international security matters are becoming more complex; with threats coming from cyber attacks and the nuclear ambitions of Iran and North Korea as well as dealing with the current wars. He continued by speaking of the need to build a flexible force to combat complex threats; the need to support veterans; and the challenge of absorbing steep budget cuts. He said in order to survive an era of "extraordinary fiscal pressure" the services must combat "parochialism." He called upon the three service branches to work together to absorb the cuts, rather than fight over every last dollar. However, Panetta also admitted that "we must make efforts to control personnel costs or else we will be forced to make deeper cuts in force structure and modernization." He said his approach will aim to grandfather benefits when he could in order to implement reforms.

General Dempsey testified that military operations since 9/11 teach that enemy capabilities are spreading, international relationships matter, and innovation is essential to the joint force. Also since 9/11 the global security landscape has shifted during the period and capabilities that previously were the monopoly of nation states have proliferated. "As a consequence, we must learn faster, understand more deeply, and adapt more quickly than our adversaries," he said. Coalitions and partnerships matter more than ever as they will add capability, capacity and credibility to shared security responsibilities. He added we need our services to maintain and be masters of their core competencies and their service cultures, but we must continue to value joint interdependence. Forces must preserve capabilities and capacity, and sustain capabilities over time. Capabilities must be versatile because "we generally find that we don't predict the future with any degree of accuracy." Risks could

accrue as leaders determine they must limit capabilities, or underestimate the necessary future force size and ask more of our service members on a rotational base that we can't sustain. He ended his opening remarks by saying leaders must make spending choices a balanced risk and avoid "hollowing the force" of needed people, equipment, and training.

In their opening statements the witnesses provided no details on any planned spending cuts and they gave no specifics on how military strategy might be affected. They said they are still reviewing the issues. At the end of their opening statements the committee did ask both witnesses for details of planned spending cuts, but the witnesses did not provide any details stating that they were both new to their positions and that they were developing a new defense strategy in light of the upcoming spending reductions.

General Dempsey did indicate the F-35 program creates fiscal challenges because there are three versions of it currently contemplated; one each for the Air Force, Navy, and Marine Corps. Secretary Panetta suggested Congress consider cuts in mandatory federal programs and increases in taxes in order to meet the deficit reductions. Panetta also warned that some lawmakers' favored defense programs could be on the chopping block. He noted that when he was a member of the House a military base in his district was closed in 1994.

Update on Flag Amendment Bills

Senator Orrin Hatch's (UT) office continues to solicit additional cosponsors for **Senate Joint Resolution (S.J. Res.) 19**, a proposed constitutional amendment to protect the American flag from physical desecration. Its text states simply: *"The Congress shall have power to prohibit the physical desecration of the flag of the United States."* The cosponsor total for the Senate legislation stands at 29, with the recent addition of Sen. John Boozman (AR).

To date, **H.J. Res. 13** – the House companion to the Senate measure – has accumulated 61 cosponsors. Please contact your representatives' and senators' offices, and ask them to become cosponsors of the flag amendment in their respective chambers. If they are already cosponsors, be sure to thank them for their support.

Update on American Legion Charter Amendment Legislation

H. R. 2369, the bill to amend the charter of The American Legion is posted on THOMAS, the Library of Congress tracking website for Congressional

legislation. [You can search for the bill on the THOMAS website at: <http://thomas.loc.gov/home/thomas.php>.] The bill amends the charter to clarify statutorily the autonomous, independent nature of our posts and departments. It would also facilitate credit card processing of online membership renewals. The bill is in the Judiciary Committee of the House of Representatives awaiting action. The Legislative team was approached this week by the Committee Chairman's staff. While meeting with Speaker Boehner yesterday, Commander Wong pushed for quick passage of the amendment. The measure currently has 384 cosponsors.

On the Senate side, Senators Tester (MT) and Heller (NV) introduced the companion bill, **S. 1639**, on October 3. After a number of visits on the hill corresponding with the National Commander's testimony, we received a tremendous number of phone calls from interested senators. We urged them to co-sponsor the Senate bill. After sending out a Legislative Action Center (LAC) alert on this legislation and getting four additional cosponsors, on the evening of Thursday, October 6 the Senate passed S. 1639 by unanimous consent. Considering that it was three days from the bill's introduction to its passage by the full Senate, this is an incredible success story. This now puts pressure on the House to pass this measure. Please contact your representatives and ask them sign on as additional cosponsors. In addition, ask if your House members will contact the office of the Speaker to expedite passage of this vital legislation. You can also go to this link, <http://capwiz.com/legion/home/> to find out more.

Letters of Support

On October 17, The American Legion sent letters to Reps. Richard Hanna (NY) and Darrel Issa (CA), thanking them for their efforts to amend **H.R. 2061**, entitled the "*Civilian Service Recognition Act of 2011*." This bill would authorize the head of an executive agency to pay the expenses for the presentation of a U.S. flag for an agency employee who died of injuries sustained which were related to his or her employment. While the desire to recognize and honor the service of civilian employees with the presentation of an American flag is admirable, The American Legion felt the language of the bill was vague and needed to be reworked. After meeting with Reps. Hanna, Issa and their staffs, the measure was amended into a form that our organization could support. House action on H.R. 2061 is expected in the near future.

On October 18, The American Legion sent letters of support to Sen. Max Baucus (MT) and Rep. Tim Walz (MN), supporting **S. 146** and **H.R. 865**, companion legislation entitled the "*Veteran Employment Transition Act of*

2011.” These measures would amend the Internal Revenue Code establishing veterans’ designations which would establish their employers’ eligibility to claim a work opportunity tax credit for hiring them. The bills would also require DOD and the National Guard to inform service members leaving active duty of the work opportunity tax credit and provide them with documentation to use in their job search.

QUESTION OF THE WEEK: “What’s being done to fight President Obama’s attack on military retirement benefits? I know that due to the fact that neither he nor many of his fellow party members have served, so they don’t understand that military service doesn’t compare to the civilian sector. A 20 year career in the military is physically damaging to the body in ways that are unlike anything else someone can do for a living. That means more medical needs at an earlier age and he wants to increase what we will pay. Haven’t we paid enough?”

This question has been sent to the Legislative Division – in one form or another – on a number of occasions over the past several months.

The original proposal came out of a number of recommendations from the Office of Management and the Budget, offering various suggestions for ways to reduce non-war-fighting costs to the Department of Defense. The American Legion and other veterans’ service organizations have staunchly defended the current military retirement system. There is no real way to compare the military retirement system with any civilian retirement plan.

During the “supercommittee’s” solicitation of views on deficit reduction, several congressional committees and individual members have stated their views on the military retirement system. The majority view is that nothing should be done to the current military retirement system, saying it would have a negative effect on recruitment and training. National Commander Fang Wong also addressed this subject in his testimony before the House and Senate Veterans’ Affairs committees on September 21. Our organization has also written a number of letters to selected members of Congress, urging restraint in any proposals to scale back the VA discretionary spending budget.

During the recent NEC meetings in Indianapolis, National Security Resolution #31 was passed, succinctly stating, “**Any changes to the existing military retirement system would violate contracts made with military retirees and currently serving military personnel, and would**

undermine morale and readiness...The American Legion oppose any changes to the current military retirement system which reduces the incentive for enlistment or re-enlistment."

The American Legion Legislative Division

Tim Tetz, Director

(202) 263-5752

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